



## DEPARTMENT OF COMMERCE

### International Trade Administration

[A-580-880]

#### Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Preliminary Results of Antidumping Duty Administrative Review; 2018-2019

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily determines that the producers/exporters subject to this administrative review did not make sales of subject merchandise at less than normal value (NV) during the period of review (POR) September 1, 2018 through August 31, 2019. Interested parties are invited to comment on these preliminary results of review.

DATES: Applicable [Insert date of publication in the *Federal Register*].

FOR FURTHER INFORMATION CONTACT: Alice Maldonado or Jacob Garten, AD/CVD Operations, Office II, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-4682 or (202) 482-3342, respectively.

#### SUPPLEMENTARY INFORMATION:

##### Background

On November 12, 2019, based on timely requests for review, in accordance with 19 CFR 351.221(c)(1)(i), we initiated an administrative review on heavy walled rectangular welded carbon steel pipes and tubes from Korea.<sup>1</sup> This review covers three producers and exporters of

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<sup>1</sup> See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 84 FR 61011 (November 12, 2019).

the subject merchandise.<sup>2</sup> Commerce selected Dong-A Steel Company (DOSCO) and HiSteel Co., Ltd (HiSteel) for individual examination. The producer and/or exporter not selected for individual examination is listed in the “Preliminary Results of the Review” section of this notice.

On April 20, 2020, Commerce extended the preliminary results of this review by 120 days, until September 29, 2020.<sup>3</sup> On April 24, 2020, Commerce tolled all deadlines in administrative reviews by 50 days.<sup>4</sup> On July 21, 2020, Commerce tolled all deadlines for preliminary and final determinations in administrative reviews by an additional 60 days.<sup>5</sup> Therefore, the deadline for the preliminary results of this review is January 19, 2021. For a complete description of the events that followed the initiation of this review, *see* the Preliminary Decision Memorandum.<sup>6</sup>

#### Scope of the Order

The products covered by the order are certain heavy walled rectangular welded steel pipes and tubes from the Republic of Korea (Korea).<sup>7</sup> Products subject to the order are currently classified under the Harmonized Tariff Schedule of the United States (HTSUS) item number 7306.61.1000. Subject merchandise may also be classified under 7306.61.3000. Although the HTSUS numbers and ASTM specification are provided for convenience and for customs purposes, the written product description remains dispositive.<sup>8</sup>

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<sup>2</sup> We received a timely submission withdrawing all review requests for 19 companies; we rescinded the review with respect to these companies. *See Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Rescission of Antidumping Duty Administrative Review; 2018–2019, in Part*, 85 FR 16060 (March 20, 2020).

<sup>3</sup> *See* Memorandum, “Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Extension of Deadline for Preliminary Results of the 3<sup>rd</sup> Antidumping Duty Administrative Review,” dated April 20, 2020.

<sup>4</sup> *See* Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews in Response to Operational Adjustments Due to COVID-19,” dated April 24, 2020.

<sup>5</sup> *See* Memorandum, “Tolling of Deadlines for Antidumping and Countervailing Duty Administrative Reviews,” dated July 21, 2020.

<sup>6</sup> *See* Memorandum, “Decision Memorandum for the Preliminary Results of the 2018-2019 Administrative Review of the Antidumping Duty Order on Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from Korea,” dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

<sup>7</sup> For a complete description of the scope of the Order, *see* Preliminary Decision Memorandum.

<sup>8</sup> For a full description of the scope of the order, *see* the Preliminary Decision Memorandum.

## Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) and (2) of the Tariff Act of 1930, as amended (the Act). Export price and constructed export price are calculated in accordance with section 772 of the Act. NV is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <https://enforcement.trade.gov/frn/>. The signed and electronic versions of the Preliminary Decision Memorandum are identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as an appendix to this notice.

## Rate for Non-Selected Respondents

The Act and Commerce's regulations do not address the rate to be applied to companies not selected for individual examination when Commerce limits its examination in an administrative review pursuant to section 777A(c)(2) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in a market economy investigation, for guidance when calculating the rate for companies which were not selected for individual examination in an administrative review. Under section 735(c)(5)(A) of the Act, the all-others rate is normally "an amount equal to the weighted-average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero or de minimis margins, and any margins determined entirely {on the basis of facts available}."

In this review, we have preliminarily calculated weighted-average dumping margins for DOSCO and HiSteel that are zero percent and we have assigned this rate to the non-selected company in this review (*i.e.*, Kukje Steel Co. Ltd), pursuant to section 735(c)(5)(B) of the Act.<sup>9</sup> For additional information, *see* the Preliminary Decision Memorandum.

#### Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for the period September 1, 2018 through August 31, 2019:

<b>Producers/Exporters</b>	<b>Weighted-Average Dumping Margin (percent)</b>
Dong-A Steel Co., Ltd. <sup>10</sup>	0.00
HiSteel Co., Ltd.	0.00
Kukje Steel Co., Ltd.	0.00

#### Disclosure

Commerce intends to disclose the calculations performed in connection with these preliminary results to interested parties within five days after the date of publication of this notice.<sup>11</sup>

#### Verification

On February 19, 2020, Commerce received a request from the petitioners to conduct verification of the responses in this administrative review.<sup>12</sup> Commerce is currently unable to conduct on-site verification of the information relied upon for the final results of this review.

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<sup>9</sup> *See Albemarle Corp. v. United States*, 821 F.3d 1345 (Fed. Cir. 2016).

<sup>10</sup> As discussed in the Preliminary Decision Memorandum, Commerce has preliminarily determined to collapse Dong-A Steel Co., Ltd. with its affiliated producer SeAH Steel Corporation, and treat these companies as a single entity, in accordance with 19 CFR 351.401(f).

<sup>11</sup> *See* 19 CFR 351.224(b).

<sup>12</sup> *See* Petitioner's Letter, "Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea: Request for Verification," dated February 19, 2020.

Accordingly, we intend to take additional steps in lieu of on-site verification. Commerce will notify interested parties of any additional documentation or information required.

### Public Comment

Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance. A timeline for the submission of case briefs and written comments will be provided to interested parties at a later date. Rebuttal briefs, limited to issues raised in the case briefs, may be filed no later than seven days after the deadline for filing case briefs.<sup>13</sup> Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.<sup>14</sup> Case and rebuttal briefs should be filed using ACCESS.<sup>15</sup>

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, filed electronically via ACCESS within 30 days after the date of publication of this notice.<sup>16</sup> Hearing requests should contain: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Oral presentations at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce intends to hold the hearing at a date and time to be determined.<sup>17</sup> Parties should confirm the date, time, and location of the hearing two days before the scheduled date.

An electronically filed document must be received successfully in its entirety by ACCESS by 5:00 p.m. Eastern Time on the established deadline.

### Final Results

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<sup>13</sup> Commerce is exercising its discretion, under 19 CFR 351.309(d)(1), to alter the time limit for filing of rebuttal briefs. *See Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

<sup>14</sup> *See* 19 CFR 351.309(c)(2) and (d)(2).

<sup>15</sup> *See* 19 CFR 351.303.

<sup>16</sup> *See* 19 CFR 351.310(c).

<sup>17</sup> *See* 19 CFR 351.310(d).

Commerce intends to issue the final results of this administrative review, including the results of its analysis of issues raised in any written briefs, not later than 120 days after the date of publication of this notice, unless otherwise extended.<sup>18</sup>

### Assessment Rates

Upon completion of the administrative review, Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries.<sup>19</sup> If the weighted average dumping margin for DOSCO or HiSteel is not zero or *de minimis* (*i.e.*, less than 0.5 percent), we will calculate importer-specific *ad valorem* antidumping duty assessment rates based on the ratio of the total amount of dumping calculated for each importer's examined sales to the total entered value of those same sales in accordance with 19 CFR 351.212(b)(1).<sup>20</sup> Where the respondent did not report entered value, we will calculate the entered value in order to calculate the assessment rate. If the weighted-average dumping margin for the respondents listed above is zero or *de minimis* in the final results, or an importer-specific assessment rate is zero or *de minimis* in the final results, we will instruct CBP not to assess antidumping duties on any of their entries in accordance with the *Final Modification for Reviews*.<sup>21</sup>

Commerce's "automatic assessment" will apply to entries of subject merchandise during the POR produced by companies included in these final results of review for which the reviewed companies did not know that the merchandise they sold to the intermediary (*e.g.*, a reseller, trading company, or exporter) was destined for the United States. In such instances, we will

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<sup>18</sup> See section 751(a)(3)(A) of the Act.

<sup>19</sup> See 19 CFR 351.212(b).

<sup>20</sup> In these preliminary results, Commerce applied the assessment rate calculation method adopted in *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012) (*Final Modification for Reviews*).

<sup>21</sup> *Id.* at 8102.

instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction.<sup>22</sup>

Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the final results of this review in the Federal Register. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

#### Cash Deposit Requirements

The following deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) the cash deposit rate for the exporters listed above will be equal to the weighted-average dumping margin established in the final results of this review, except if the rate is less than 0.50 percent and therefore *de minimis* within the meaning of 19 CFR 351.106(c)(1), in which case the cash deposit rate will be zero; (2) for companies not participating in this review, the cash deposit rate will continue to be the company-specific cash deposit rate published for the most recently completed segment; (3) if the exporter is not a firm covered in this review, or the original less-than-fair-value (LTFV) investigation, but the producer is, then the cash deposit rate will be the cash deposit rate established for the most recently completed segment for the producer of the merchandise; and (4) the cash deposit rate for all other producers or exporters will continue to be 3.24 percent, the all-others rate established in the LTFV investigation.<sup>23</sup> These deposit requirements, when imposed, shall remain in effect until further notice.

#### Notification to Importers

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<sup>22</sup> For a full discussion of this practice, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

<sup>23</sup> See *Heavy Walled Rectangular Welded Carbon Steel Pipes and Tubes from the Republic of Korea, Mexico, and the Republic of Turkey: Antidumping Duty Orders*, 81 FR 62865, 62866 (September 13, 2016).

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interested Parties

We are issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Dated: January 15, 2021.

Jeffrey I. Kessler,  
Assistant Secretary  
for Enforcement and Compliance.



## **Appendix**

### **List of Topics Discussed in the Preliminary Decision Memorandum**

- I. Summary
- II. Background
- III. Scope of the Order
- IV. Companies Not Selected for Individual Examination
- V. Discussion of the Methodology
- VI. Currency Conversion
- VII. Recommendation

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